



## Former state employee charged with gambling away \$1 million

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BATON ROUGE, La. (KNOE 8 News) - A former accountant for the Louisiana Department of Health and Hospitals is arrested and charged with defrauding the state out of more than \$1 million. Officials say most of the cash was spent at casinos.

Deborah Crowder Loper, 46, of 9642 Hardwood Drive, Baton Rouge, was charged with theft by fraud, money laundering, and malfeasance in office for intentionally using her position of public trust to defraud Louisiana's Medicaid program by misappropriating public funds for personal use.

The arrest comes as a result of the joint investigation conducted by the Attorney General's Medicaid Fraud Control Unit, Louisiana Office of the Inspector General, Louisiana Legislative Auditor's Office, U.S. Department of Health and Human Services, Office of Inspector General and the Federal Bureau of Investigations.

"Ms. Loper squandered hundreds of thousands of tax dollars meant for invaluable health care services for Louisiana's Medicaid recipients and used her position as a public servant for her own personal gain. This type of despicable activity erodes public trust and confidence in our government programs and will not be tolerated," stated Attorney General Caldwell. "She will be prosecuted to the fullest extent of the law," he added.

Louisiana Inspector General Stephen Street commented, "The fact that a state employee was able to steal over a million dollars of taxpayer money is shocking enough. Against the backdrop of the health care funding issues facing our state, it's outrageous. Of particular concern to us are the conditions that allowed Ms. Loper to engage in this scheme over a period of years without being detected."

Inspector General Street added, "This investigation is another good example of state agencies working together with the common goal of fighting corruption."

As an accountant administrator, Loper was responsible for the management of funds used to operate the state's Medicaid program. In 2006, Loper was entrusted to manage the financial activities of a bank account opened in Louisiana for the purpose of facilitating a conference, which was held in Louisiana.

After the 2009 conference, Loper was instructed to close the account by her immediate supervisor. However, it was determined that Loper fabricated documents and subsequently submitted those documents, giving the appearance that the account was closed. She changed the address on the account so that she was able to receive all correspondence for the account, including monthly statements of transactions, at her private residence.

From March 2007 through January 2013, records indicate that Loper deposited more than 130 checks totaling \$1,058,446.27 into the account. Those checks deposited by Loper were made payable to DHH, Medicaid Payment Management Section and Medicaid Refunds. The primary source of those funds was identified as Medicaid reimbursements which were issued to DHH by licensed Medicaid providers and were intended to be returned to the state's Medicaid program. During the course of the investigation, it was found that the majority of the money was spent at area casinos.

In February 2013, Loper abruptly resigned from DHH after finding out that the account had been frozen by the bank for potential fraudulent activity. Loper notified members of DHH management through email that she was resigning from her position effective immediately, but gave no reason and was not available for subsequent contact. DHH officials were contacted by Ms. Loper's attorney and advised that the department should review a bank account established at Capital One Bank, which Ms. Loper was affiliated with. After receiving this information from Loper's attorney, DHH officials contacted Capital One Bank and were informed that the account had never been closed as previously indicated by Loper and that the account was recently frozen due to possible fraudulent activity. DHH officials immediately contacted the Attorney General's Office and the Office of the Inspector General initiating the investigation. DHH is fully cooperating with the ongoing investigation.

"We are pleased that the Attorney General's Office was able to move swiftly on this matter after we alerted them of our concerns. The Department is fully cooperating with the investigation and will continue to do so," said

DHH Interim Secretary Kathy Kliebert. "DHH continues to revise its process for internal audits, including the hiring of a Chief Compliance Officer last month. We will continue to look at new ways to prevent and quickly identify instances of potential employee theft or fraud."

DHH also filed a civil suit on May 13, 2013 to preserve its rights against Ms. Loper and the bank in order to recover the stolen funds.

Loper surrendered to MFCU agents and was booked into the East Baton Rouge Parish Prison. If convicted of theft by fraud, money laundering, and malfeasance in office, Loper faces a combined maximum of 115 years in prison.



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